Mission Statement:

The Intergovernmental Relations-Grants & Special Projects department serves as a valuable and essential resource for the City in its policy development, priority setting, issue management, grant seeking and government relations initiatives. This department effectively represents the city policies and priorities at the international, federal, state and regional levels, as well as non-government partnerships.

Primary Businesses:

Present a clear message of the policy position and service needs of Minneapolis to the federal, state and regional governments

Provide leadership and direction to the City and its departments in the areas of grant seeking, writing and management

Key Trends and Challenges Impacting the Department:

In 2002, the Intergovernmental Relations & Grants & Special Projects department initially provided a 3.9% spending reduction resulting in overall savings of \$30,230. Also, in 2002, when departments were asked to revise budgets and propose additional spending reductions, the International Affairs Coordinator position was eliminated resulting in an additional 7.3% reduction.

<u>Key Enterprise Outcome Measures Influenced by the: Department of Intergovernmental</u> Relations

- 1. Increase City's knowledge about the challenges and issues facing other levels of government
- 2. Increase awareness by other levels of government of Minneapolis' role in addressing our challenges
- 3. Increase interaction and relationships with other jurisdictions in the metropolitan area

Performance Data for Key Enterprise Outcome Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Special initiatives achieved to increase City's knowledge of other levels of gov't			New Council Orientation. Council Member trip to D.C. Mayor's trip to D.C.	Mayor's trip to D.C USCM. Council Members trip to D.C./NLC Annual Meeting. League of MN Cities, Rochester.	Mayor's trip to D.C USCM. Council Members trip to D.C./NLC Annual Meeting. League of MN Cities, Rochester.
Special initiatives achieved to increase awareness of Mpls by other levels of gov't	Statewide trips by elected officials throughout MN. Nat'l Conf. of State Legislators meeting in Mpls. IGR chair meetings w/delegation and key House and Senate leaders. League of MN Cities Convention.	Statewide trips by elected officials throughout MN. IGR chair meetings w/delegation and key House and Senate leaders. League of MN Cities Convention. Capitol bonding tours.	Statewide trips by elected officials throughout MN. IGR chair meetings w/delegation and key House and Senate leaders. League of MN Cities Convention. Capitol bonding tours.	Statewide trips by elected officials throughout MN. IGR chair mtgs. w/delegation and key House/Senate leaders. League of MN Cities Conv. Nat'l Conf. of State Legislators Mpls mtg. Capitol bonding tours	Statewide trips by elected officials throughout MN. IGR chair mtgs. w/delegation and key House/Senate leaders. League of MN Cities Conv. Nat'l Conf. of State Legislators Mpls mtg. Capitol bonding tours

Examples of relationship	AMM LMC CJCC Metro Mayors	AMM LMC CJCC Metro Mayors	AMM LMC CJCC Metro Mayors
building with other	Property Tax Study		Property Tax
jurisdictions	Project.	Project.	Study Project.
	I-35	I-35	I-35
	USCM	USCM	USCM
	NLC	NLC	NLC

Explanation of Performance Data for Key Enterprise Outcome Measures:

All of these meetings serve several purposes -- relationship building and educational.

<u>Primary Business: Present a clear message of the policy position and service needs of Minneapolis to the federal, state and regional governments</u>

(Service activities and performance measures sorted by business)

<u>Service Activity:</u> Assist City leadership in the development of the City's strategic positioning at the federal, state and regional level by establishing realistic objectives and minimizing adverse impacts

Description: Identify issues and political concerns needing review and decision by the Mayor, Council and Department Heads. Offer profession advice on such issues.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Inclusion of Minneapolis Legislative delegation and Congressional representation in accomplishing legislative priorities			Individual and delegation meetings. Several meetings with Congressman Sabo and his staff.	IGR Chair met individually with legislation delegation. Meetings with Congressman Sabo.	IGR Chair met individually with legislation delegation. Meetings with Congressman Sabo.
User feedback		Positive	Positive		
Special Initiatives			"Office Hours." Joint Mpls/St. Paul delegation meeting.	"Office Hours." Joint Mpls/St. Paul delegation meeting.	"Office Hours." Joint Mpls/St. Paul delegation meeting.

Explanation of Key Performance Measures:

The legislative delegation is the primary mover of the City's legislative agenda. In 2002, numerous delegation meetings were held. The federal lobbyist is in daily communication with the congressional delegation.

Service Activity: Assist elected officials in the development of the City's Legislative Agenda

Description: Establish work teams and incorporate team research results into legislative package. Develop unique action plan for each priority

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Produce a clear, concise legislative package which incorporates team results, reflects City needs and is realistic and attainable		Limited legislative agenda with very few changes.	Submitted preliminary drafts of agenda to Council Members and Mpls. Delegation.	Limited agenda. Few top priorities. Few changes.	Limited agenda. Few top priorities. Few changes.

<u>Service Activity:</u> Federal, state and local lobbying advocating on behalf of Minneapolis interests as outlined and prioritized by the Council and Mayor

Description:

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Success of legislative priorities agenda and completion of comprehensive issue management strategy.	LRT. Increases in LGA. Empowerment Zone Funding.	Increase in LGA. LRT.	NO LGA Cut. Successful in bonding bill. LRT still on track.	Pensions. Work to repass bonding bill. Governor's veto.	Pensions. Work to repass bonding bill. Governor's veto.
User feedback	Positive	Positive	Positive	Positive	Positive
Success in retaining and defending local control	Kondirator	Financing LRT, Upper Harbor.	Zoning. Building Inspectors.	As it arises.	As it arises.

Explanation of Key Performance Measures:

<u>Service Activity:</u> Present to the public a positive image of the City. Represent the City on boards, task forces, and numerous affinity organizations charged with designing public policy

Description:

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Participation of city elected officials and IGR staff on various boards and commissions to put a face on Minneapolis	AMM, LMC, CJCC, North Metro Mayors, Suburban Mayors, Property Tax Study Group.	Same as 2000	Large increase of local participation in all of these organizations.	Continue to involve elected officials as opportunities arise.	Continue to involve elected officials as opportunities arise.

Explanation of Key Performance Measures:

<u>Primary Business: Provide leadership and direction to the City and its</u> departments in the areas of grant seeking, writing and management

(Service activities and performance measures sorted by business)

<u>Service Activity:</u> Provide leadership and coordination to attract program revenues from external funding sources. Provide administrative management of Consolidated Plan funded projects, Agency 123 funded projects

Description: Locate and distribute information about grant opportunities to city departments and external service providers. Provide assistance to city departments and external providers with the City's approval and contract process. Provide monitoring of some grant-related expenditures.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Percentage of grant-related revenue contributed to City revenue budget.	13.20%	12.53%	13.00%	13.00%	13.00%
The amount of money applied for versus the amount of money received.*	unknown	more than \$30M received **			

Explanation of Key Performance Measures:

<u>Service Activity:</u> Lend technical assistance and training to City departments on grantor expectations, requirements, and performance reporting

Description: The Office of Grants and Special Projects works to develop each department's capacity to locate, apply for and manage grants on their own. To develop this internal capability, a Users' Group was implemented and meets every other month. Topics covered have included finding grant sources, the application process, monitoring, audits, contracts and financial information. In addition, staff meets on an "as requested" basis with elected officials, city departments and external service providers to discuss funding options for programs.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Approved
Grant-related findings and exceptions in government audits			0	0	0
Number of meetings to discuss funding options	Unknown	15	30	30	30
Grant User Meetings Held	0	2	6	6	6
Number of Participants	0	15	20	25	25
Percent reporting satisfaction with office service	0	0	50	50	50

Explanation of Key Performance Measures:

Financial Analysis:

Since 2001, the Office of Grants & Special Projects has been part of the Office of Intergovernmental Relations. As a result of a prior-year department reorganization, the year-2000 "Expense Information" report includes the Telecommunications and Media department that moved into the Department of Information and Technology Services (ITS) in 2001.

On the operating expense side, the Department's personnel and operating budget totaling \$1.01 million is funded 79% from the General fund and 21% from CDBG. For 2003, the General Fund budget increased 15.4%. Reflected in this are personnel increases and modifications for personnel expensed between funds. Also, for 2003, to consolidate inter-governmental related expenses into one area, budget amounts totaling approximately \$110,000 have been transferred from the City Clerk's budget to the Intergovernmental Relations Department budget. For 2003 the budget for Contractual services is reduced by \$28,000 upon completion of a multi-year Federal lobbyist contract begun in 1999.

^{*} Information about grant applications is not routinely sent by all departments to the Office of Grants and Special Projects. It is anticipated that as the awareness of the Integrated Grants Management Process is increased, more departments will inform the office of their applications and their awards. The amount of grant funds awarded is tracked by using City Council actions requesting the authority to accept the money.

**Amount reported includes the Consolidated Plan Award.

In addition to the operating general fund budget, the Department's 2003 revenue and expense budget estimates include *non-general fund amounts*, adjusted to reflect the year-to-year varying levels of pass-through activity in Special Revenue Funds; this includes federal entitlements from the City's Federal Housing and Urban Development's (HUD's) Consolidated Plan. These funds are the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), Housing Opportunities for Everyone (HOME) and Housing Opportunities for Persons with AIDS (HOPWA). The budget for this department includes CDBG funding at a base level. These amounts will change as the federal appropriation is set. The difference between revenue and expense in the Special Revenue Funds is the amount of the CDBG appropriation recognized as revenue at the city level.

From 2002 to 2003 the operating budget was reduced as the result of the City's \$5.2 million budget cuts: the Office of International Affairs was eliminated for a personnel reduction of 1.0 FTE and a savings of \$54,000. For 2002, the Department proposed a reduction in non-personnel expenses for a total of \$30,230.

Summary of Target Strategies:

Title: Intergovernmental Relations 2% Target Strategy and 4% Target Strategy

Fund # 0100 Agency # 841 Organization # 8410; 8031

<u>Fund</u>	Cost	<u>Revenues</u>	FTE's	Job Titles/Other related costs
0100	(\$10,500)	\$0.00	0	Wages & Salaries
0100	(\$4,000)	\$0.00	0	Contractual Services
0100	(\$14,425)	\$0.00	0	Contractual Services

Mayor's Recommendation:

The Mayor does not recommend this strategy

Council Adopted:

The Council does not recommend this strategy

Expense: Revenue:

Proposal Description:

A decrease of \$14,462 represents a 2% spending reduction. The department would achieve this as follows:

- Underfill the program assistant position resulting in a savings of \$10,500.
- Renegotiate the consultant contracts for a savings of \$4,000. This would mean hiring contract lobbyists at a lower rate than the previous year.

A decrease of \$28,924 represents a 4% spending reduction. The department would achieve this as follows: - Further reduce the consultant contracts by \$14,425.

City of Minneapolis – Intergovernmental Relations

Describe how the proposal impacts your service activities and performance measures: In 2002, the Intergovernmental Relations & Grants & Special Projects department initially provided a 3.9% spending reduction resulting in an overall savings of \$30,230. Also in 2002 when departments were asked to revise budgets and propose additional spending cuts, the International Affairs Coordinator position was eliminated resulting in an additional 7.3% reduction.

Option 1 - 2% Total Cut:

- Refilling the program assistant position at an underfilled level will result in savings to the department. The current program assistant is at the top step at 28 years.
- With a reduction in lobbying contract fees, the City may experience diminished representation at the federal and state level.

Option 2 - 4% Total Cut:

- Deeper reductions in the lobbying contracts would not only mean diminished representation, but also minimal opportunities for strategic planning and relationship building.

INTERGOVERNMENTAL RELATIONS Expense Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
General Fund - City						
Contractual Services	1,323,273	131,659	117,033	90,813	-22.4%	-26,220
Equipment	50,144	873	2,794	2,851	2.0%	57
Fringe Benefits	180,801	85,994	95,516	92,651	-3.0%	-2,865
Operating Costs	170,931	57,152	61,918	189,845	206.6%	127,927
Salaries and Wages	911,950	456,527	455,004	469,078	3.1%	14,074
Total for General Fund - City	2,637,099	732,206	732,265	845,238	15.4%	112,973
Special Revenue Funds						
Capital Outlay	0	0	0	25,000	0.0%	25,000
Contractual Services	1,051,839	1,318,301	1,926,460	1,439,400	-25.3%	-487,060
Fringe Benefits	21,743	19,500	47,458	39,112	-17.6%	-8,346
Operating Costs	2,073	4,962	11,978	0	-100.0%	-11,978
Salaries and Wages	110,237	115,513	208,247	190,227	-8.7%	-18,020
Total for Special Revenue Funds	1,185,892	1,458,275	2,194,143	1,693,739	-22.8%	-500,404
Total for INTERGOVERNMENTAL RELATIONS	3,822,991	2,190,481	2,926,408	2,538,977	-13.2%	-387,431

INTERGOVERNMENTAL RELATIONS Revenue Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
General Fund - City						
Charges for Sales	70	175	150	150	0.0%	0
Charges for Service	169,613	0	0	0	0.0%	0
Contributions	292,707	0	0	0	0.0%	0
Franchise Fees	2,613,804	-22,607	0	0	0.0%	0
Interest	-43	0	0	0	0.0%	0
Operating Transfers In	20,000	0	0	0	0.0%	0
Other Misc Revenues	135,539	15	15,500	15,500	0.0%	0
Sales and Other Taxes	1	0	0	0	0.0%	0
Total for General Fund - City	3,231,691	-22,417	15,650	15,650	0.0%	0
Special Revenue Funds						
Contributions	11,844	-34,643	35,000	0	-100.0%	-35,000
Federal Government	0	0	481,035	0	-100.0%	-481,035
Interest	383	-383	0	0	0.0%	0
Local Government	-12,469	1,325	0	0	0.0%	0
Other Misc Revenues	3,957	0	0	0	0.0%	0
State Government	250,000	0	208,581	0	-100.0%	-208,581
Total for Special Revenue Funds	253,714	-33,700	724,616	0	-100.0%	-724,616
Total for INTERGOVERNMENTAL RELATIONS	3,485,405	-56,117	740,266	15,650	-97.9%	-724,616

INTERGOVERNMENTAL RELATIONS Business Line Expense Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
GRANTS AND SPECIAL PROJECTS						
General Fund - City						
Contractual Services	1,150,410	9,279	6,215	6,339	2.0%	124
Equipment	49,284	0	925	944	2.1%	19
Fringe Benefits	128,483	30,867	36,466	29,037	-20.4%	-7,429
Operating Costs	128,250	17,661	11,429	11,775	3.0%	346
Salaries and Wages	631,122	151,626	162,358	139,925	-13.8%	-22,433
Total for General Fund - City	2,087,549	209,434	217,393	188,020	-13.5%	-29,373
Special Revenue Funds						
Capital Outlay	0	0	0	25,000	0.0%	25,000
Contractual Services	1,051,839	1,318,301	1,926,460	1,439,400		-487,060
Fringe Benefits	21,743	19,500	47,458	39,112	-17.6%	-8,346
Operating Costs	2,073	4,962	11,978	0	-100.0%	-11,978
Salaries and Wages	110,237	115,513	208,247	190,227	-8.7%	-18,020
Total for Special Revenue Funds	1,185,892	1,458,275	2,194,143	1,693,739	-22.8%	-500,404
Total for GRANTS AND SPECIAL PROJECTS	3,273,441	1,667,709	2,411,536	1,881,759	-22.0%	-529,777
INTERGOVERNMENTAL RELATIONS						
General Fund - City						
Contractual Services	172,862	122,380	110,818	84,474		-26,344
Equipment	860	873	1,869	1,907	2.0%	38
Fringe Benefits	52,318	55,126	59,050	63,614		4,564
Operating Costs	42,681	39,492	50,489	178,070		127,581
Salaries and Wages	280,829	304,901	292,646	329,153	12.5%	36,507
Total for General Fund - City	549,550	522,772	514,872	657,218	27.6%	142,346
Total for INTERGOVERNMENTAL RELATIONS	549,550	522,772	514,872	657,218	27.6%	142,346
Total for INTERGOVERNMENTAL RELATIONS	3,822,991	2,190,481	2,926,408	2,538,977	-13.2%	-387,431

INTERGOVERNMENTAL RELATIONS Staffing Information

	2000	2001	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
FTE's by Division Intergovernmental Relations	4.00	4.00	4.00	4.00	0.00%	-
Total FTE's	4.00	4.00	4.00	4.00	0.00%	-

GRANTS AND SPECIAL PROJECTS Staffing Information

	2000	2001	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
FTE's by Division FTE's	10.00	8.00	7.00	6.00	-14.29%	(1.00)
Total FTE's	10.00	8.00	7.00	6.00	-14.29%	(1.00)